(a) whether Government propose to review SCICI's performance in the fishery sector;

(b) whether it is a fact that SCICI has lost interest in both shipping and fishing sectors;

(c) if so, what are the reasons for not winding up SCICI;

(d) whether its present operations are only duplication of the work of better reputed public financial institutions; and

(e) the measures proposed to assess, the need of SCICI in present context?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) SCICI is governed by policies as decided by its Board of Directors from time to time. In so far as loans granted to shipping and fishing companies by erstwhile Shipping Development Fund Committee are concerned, SCICI acts as an agent (designated person) of Government for recovery/ administration of portfolio.

(b) and (d) SCICI has reported that it has not lost interest in the shipping and fishing sectors and is interested in the overall development of these sectors and would extend the required support for any viable project. While shipping and fishing industries remain the focus areas of SCICI's operations, SCICI had diversified its lending activities to all sectors of the economy with a view to diversify its risks and build up a healthy portfolio.

(c) and (e) Do not arise.

Penalty imposed on bank incurring losses

2312. SHRI MOOLCHAND MEENA: Will the Minister of FINANCE be pleased to state:

(a) whether Reserve Bank of India has imposed penalty on bank incurring losses;

(b) if so, the details thereof;

(c) whether these banks have requested the RBI to waive the penalty; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) Reserve Bank of India (RBI) has reported that it has not imposed any penalty on banks incurreing losses.

(b) to (d) Do not arise.

Busting of share fraud by CBI

2313. PROF. VIJAY KUMAR MALHOTRA: Will the Minister of FINANCE be pleased to state:

(a) whether the attention of Government has been drawn to the news items titled "CBI busts big time share fraud" appearing in the 'Indian Express' dated the 17th October, 1994;

(b) if so, the facts thereof; and

(c) the action taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) Yes, Sir.

(b) and (c) The Central Bureau of Investigation (CBI) has indicated that Shri Biman Kumar Aich, a sub-broker in connivance with Shri Ranjit Kumar Das, an officer of Bank of Inida, Main Branch in Bhubneswar substituted fresh share applications in the names of different persons against cheques and drafts presented by genuine applicants in respect of 212 applications for public issues of 11 companies during April and July 1994. On this basis, these companies issued share certificates and refund orders, and the refund orders were encashed through fictitious accounts opened in various banks in Bhubaneswar. Both Shri Aich and Shri Das were arrested and sent to judicial custody. A case has been registered in this regard in the Bhubneswar Branch of CBI.

Economic Reforms and Capital Flow

2314. PROF. VIJAY KUMAR MALHOTRA: Will the Minister of FINANCE be pleased to state:

(a) whether the economic reforms programme of Government has not yielded the desired results but instead has opened up private capital flow;

(b) whether there is inherent danger in depending upon so much at such flows in view of the Mexico's experience; and

(c) if so, whether there is any proposal to review the economic reforms programme?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) No, Sir. A comfortable level of reserves, improved current account position, a stable exchange rate and substantially less reliance on debt creating flows are some of the indicators of success of reforms measures initiated since June, 1991.

(b) No, Sir. The composition of India's net capital inflows has changed towards equity and away from debt. Government has also successfully striven to bring down the proportion of short-term debt in total external debt from 10.2 per cent at the end of 1990-91 to 4.0 per cent by end-September, 1994. Outflow of this account will not pose a Mexican type crisis.

(c) Question does not arise.

दिल्ली में विदेशी घड़ियों की अवैध बिक्री

2315. **प्रो. विजय कुमार मल्होत्रा:** क्या वित्त मंत्री यह बताने की कृपा करेंगे कि:

(क) क्या दिल्ली में प्रमुख बाजारों, कनाट प्लेस, चांदनी चौक, करोल बाग, साउथ एक्सटेंशन और पालिका बाजार में विदेशी घड़ियों की अवैध रूप से बिक्री हो रही है;

(ख) यदि हां, तो क्या घड़ियों की तस्करी फिर से बढ़ गयी है; और

(ग) इस अवैध व्यापार का संगठित क्षेत्र पर क्या असर पड़ रहा है?

वित्त मंत्रालय में राज्य मंत्री (श्री एम. वी. चन्द्रशेखर मूर्ति): (क) उपलब्ध रिपोर्टों से कनाट प्लेस, चांदनी चौक, करोल बाग, साउथ ऐक्सटेंशन और पालिका बाजार जैसे प्रमुख बाजारों में विदेशों में बनी घड़ियों की अवैध रूप से बिक्री किये जाने का पता नहीं चलता है।

(ख) और (ग) चूंकि तस्करी एक चोरी-छिपे किया जाने वाला धन्धा है; अत: इसका हिसाब लगाना संभव नहीं है। चूंकि उपलब्ध रिपोर्टों से देश में घड़ियों की तस्करी की मात्रा और प्रवृत्ति में कोई महत्वपूर्ण परिवर्तन होने का पता नहीं चलता है, अत: संगठित विनिर्माण क्षेत्र पर इसके कारण कोई महत्वपूर्ण प्रभाव पड़ा प्रतीत नहीं होता है।

Commission to LIC Agents

2316. SHRI SATISH PRADHAN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that LIC agents commission is determined as per the provisions of LIC (Agents) Regulations, 1972;

(b) whether it is also a fact that time and again, the LIC is introducing new Insurance Schemes and incorporate such new schemes in the Schedules as per LIC (Agents) Regulations, 1972;

(c) whether there are any other Insurance Schemes which are not covered in the Schedules as per LIC (Agents) Regulations 1972; if so, the reasons therefor;

(d) whether it is a fact that pension and Group Superannuation schemes has parallel plans in the agents commissions schedules; and

(e) whether it is also a fact that the pension and group superannuation commission is decided arbitrarily?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) to (c) LIC have informed that for individual assurances and annuities the agents commission is given in the Schedules to the LIC (Agents) Rules, 1972. Whenever, a new plan is formulated necessary addition to the Schedule is made. However, the business transacted under Group & Superannuation scheme is not covered under these Rules. This is so because the Group and Superannuation Schemes are conducted on entirely different basis than the Individual Assurances.

(d) LIC have informed that since the Group and Superannuation Schemes are conducted on entirely different basis than the individual Assurances, it is not strictly correct to say that they are parallel to the various plans for which commission rates are given in the Schedule under the LIC (Agents) Rules, 1972.

(e) LIC have informed that the commission for Group and Superannuation Schemes are worked out systematically considering the margin for management expenses available and also the special nature of these schemes.

Bonus to LIC Policy Holders

2317. SHRI SATISH PRADHAN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Life Insurance Cor-